GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3861
ANSWERED ON:19.04.2005
IMPORT OF ORTHODOX TEA
Veerendra Kumar Shri M.P.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether cheap vanity orthodox tea is being imported into country for re-export to other countries after blending;

(b) if so, the details of the quantity imported during the last three years and the source of import;

(c) whether there is any fear that the export of blended tea of cheap variety at lower unit price would harm the interest of Indian tea in the long run as prestiglous brands will become synonymous with poor quality tea; and

(d) if so, steps Government proposes to take to safeguard the long-term commercial interests of the country in the matter of tea export?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a) & (b): Certain instances of import of poor quality tea into India for re-export have come to the notice of the Government. Approximate quantity of tea imports (in M. Kgs.) during the last three years are given below:-

Name of the Country	2002	2003	2004
Vietnam	12.02	1.11	17.28
Kenya	1.47	1.22	3.30
Nepal	2.63	2.56	2.86
Indonesia	4.43	2.80	2.65
China	0.17	0.36	1.66
Others	4.08	1.81	2.77
Total	24.80	9.86	30.52

(c) & (d): The need for ensuring quality of tea exports has been engaging the attention of the Government. It has been decided that it is necessary to ensure that only good quality teas are exported, whether by export of teas domestically produced or by re-export of imported teas. In order to maintain quality and retain the brand equity of Indian teas, the Government has issued a new Tea (Distribution and Export) Control Order, 2005 under the provisions of the Tea Act, 1953 on 01.04.2005 in supersession of the Tea (Distribution and Export) Control Order, 1957. The new Order prescribes that strict norms for tea and all teas, whether imported or exported, would be required to conform to the specifications cited in the new Order. It also stipulates that all tea consignments meant either for imports or exports would have to undergo a certification procedure whereby the quality of tea and the country of its origin would be determined and displayed. The Tea Board would be the nodal agency of the certification exercise. The non-preferential Certificate of Origin in respect of each consignment of tea exports would be issued by the Tea Board or any of its designated agencies. The new Order also prescribes a minimum value addition norm of 50% on export of all imported teas and stipulates a time period of 6 months from the date of import for the export of imported tea. Consequential changes have also been effected in the Handbook of Procedures under the Foreign Trade Policy.